

STATE OF MINNESOTA

Department of Commerce

Bulletin 93-4

Issued this 11th day
of June, 1993


TO: ALL WORKERS' COMPENSATION INSURERS LICENSED IN MINNESOTA

In 1992 the Minnesota Workers' Compensation Reinsurance Association distributed approximately \$100 million in surplus earnings and declared approximately \$300 million as additional surplus earnings and proposed distribution of these surplus earnings. During the 1993 legislative session the Minnesota Legislature enacted Chapter 361 which requires that the surplus earnings be distributed to the employers who paid workers' compensation insurance premiums in Minnesota and not retained by the insurers.

Immediately after passage of Chapter 361 several insurers challenged the validity of the Act in Federal Court. On June 7, 1993, a stipulation was entered into which provides in part that distribution of the portion of the surplus earnings that is allocated to self-insurers would be made and that while insurers would not be required to do so any insurer could make the distribution required by Chapter 361. If and when an insurer makes such a distribution please advise the department accordingly. The relevant section is as follows:

Plaintiffs and other workers' compensation insurers subject to Chapter 361 are not required to comply, but are not prohibited from complying, with Section 2 of the Act during the pendency of plaintiffs' actions in this Court and, if this Court should uphold the constitutionality of Section 2 of the Act, until 60 days after that decision.

Any questions about this bulletin should be directed to Mr. Ron Meuser, Department of Commerce, 133 East Seventh Street, St. Paul, MN 55101. Mr. Meuser's telephone number is (612) 297-5849.


Bert J. McKasy
Commissioner of Commerce